



# **OTTAWA COMMUNITY HOUSING CORPORATION (OCHC)**

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## **2019 OCHC FINANCIAL BRIEF**



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## **EXECUTIVE SUMMARY**

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In 2019, OCHC will continue to work on its capacity to make sound decisions about the allocation, management, and accountability of its funds. Priorities for 2019 Budget include:

- Ensure adequate maintenance spending to promote safe and healthy communities;
- Continue to control costs and to maximize revenue;
- Support and enhance OCHC's tenants centric engagement; and,
- Keep developing new affordable and quality housing.

The upcoming year will be one of transition for OCHC due to the commencement of significant redevelopment initiatives. The 2019 balance for all funds is estimated at \$48.2 million, reflecting a \$20.6 million increase against the 2018 spend, attributable to greater investments for capital repairs and redevelopment efforts. The main contributors to the increase in capital spending are:

- Commencement of multi-year SHAIIP funded projects; 50% of funding was received in advance in 2018, advancing more capital works;
- Increased expenditures for capital works projects, inclusive of items deferred from 2018 and;
- Growth in mandated program expenditures.

The Operating fund will be balanced. Expenses have been held at 2018 levels, to compensate for revenue reductions associated with properties in redevelopment. To achieve expense targets, OCHC undertook a comprehensive review of discretionary expenses, staffing costs and administrative expenses. As a result of these efforts, OCHC will maintain mandatory and discretionary contributions to Capital Fund.

The 2019 Budget ensures that Community Reinvestment Fund will generate sufficient reserves to support current strategic priorities of the Portfolio Management Framework (PMF) in renewal of OCHC stock. In line with the PMF, identified within are four projects that will add 164 new homes to OCHC by the beginning of 2020.

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## INTRODUCTION

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The information provided in this financial brief is intended as a reference for Board and Committee members with important information regarding the Ottawa Community Housing Corporation (OCHC) financial environment and funding framework and financial activity for 2019.

Ottawa Community Housing Corporation provides affordable rental accommodations to over 32,000 residents, including singles, families, seniors and those with special needs. OCHC has an aging and diverse housing portfolio with close to 15,000 housing units – apartments, townhouses, rooming house units, multi-residential and some single-family homes. Close to 3,000 households include tenants who qualify for the Ontario Disability Support Program. Over 6,600 children, 12 years old and under, live in OCHC communities. The quality of OCHC housing has a direct impact on these residents' quality of life.

The budget is prepared and presented in accordance with the following fund categories (Appendix 1):

- An ***Operating Fund*** that supports the day-to-day operations and includes such categories as tenant rental revenue and utilities, debt servicing and operating expenses.
- A ***Capital Fund*** that supports work that is not part of normal day-to-day maintenance; it is durable and includes the replacement of significant building components or an improvement that increases the useful life of the asset. The fund can also cover the acquisition of office furniture and equipment including information management and technology. The fund also covers salary expenses related to capital work.
- A ***Green Fund*** that supports specific operational or capital initiatives; increasing the environmental sustainability of OCHC. Contributions to the fund may include energy grants which do not form part of the capital reserves; net savings generated from sustainability projects; and a proportion of new income generated from sustainability projects.
- The ***Community Reinvestment Fund (CRF)*** is a discretionary reserve that exists to develop new housing.
- The ***Vehicle Fund*** that supports the acquisition of new vehicles.

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## **FINANCIAL ENVIRONMENT AND STRATEGY**

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For 2019, OCHC continues to identify financial opportunities that ensure financial sustainability. Key strategies include:

### ***Financing***

In the spring of 2019, OCHC will seek approval from the City of Ottawa Council to maintain the current refinancing strategy, whereby the City extends its current level of mortgage subsidy for another 30 years, at the time of mortgage renewal.

OCHC is also reviewing options, which would allow a portion of the refinancing proceeds to be allocated for redevelopment, reflecting the need to renew the portfolio through redevelopment, as well as maintaining it through capital repairs.

As Council consent is obtained, OCHC will continue to work with Infrastructure Ontario (IO) and the Ministry of Housing to refinance four pooled mortgages under the Operating Agreement, generating \$15.2 million which will be contributed to capital reserves. In addition, in 2018 OCHC worked with IO to raise two new mortgages that will generate \$8.4 million in 2019 for the newly built Uplands infill and Carlington Community Health Hub (CCHH).

### ***Sustainability Strategies***

OCHC is committed to reducing utility costs through green initiatives that use new strategies and technologies to monitor and manage energy consumption and savings. OCHC has benefited from energy retrofits, as well as tenant and staff education to reduce resource consumption and control costs. Revenue from the generation of electricity, grants received from senior government and energy providers are contributed to the Green Fund to support initiatives such as the Utility Management System and the LED lighting retrofit. OCHC is implementing information technology to better monitor and manage energy consumption and savings.

OCHC currently operates a fleet of 151 vehicles and trailers with an average age of 3.5 years. OCHC has a commitment to "Greening" the OCHC fleet and considers vehicle replacements that reduce OCHC's carbon footprint. For 2019, OCHC has budgeted \$345,000 for the replacement of approximately 9 vehicles and pricing for more energy-efficient alternatives has been requested from suppliers.

### ***Portfolio Management Framework***

OCHC has developed a Portfolio Management Framework (PMF) that assists in divestiture decisions and the development of the portfolio. The framework incorporates a rationalization of the stock that considers the impact on tenants and ensures that new developments are sustainable.

In 2019, OCHC is planning to divest of 6 properties (42 homes) which should generate approximately \$9.3 million to be used for redevelopment. OCHC will also receive \$9.7 million in forgivable loans primarily for Rochester Heights and leverage \$8.4 million in mortgage financing to support PMF objectives.

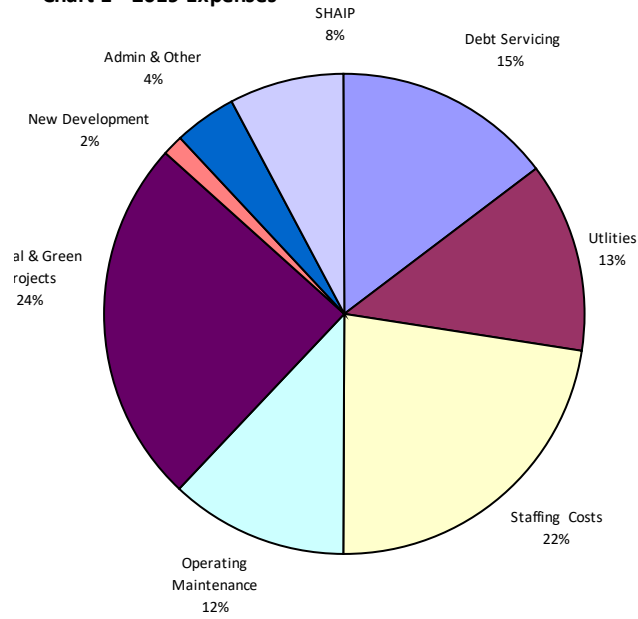
### 2019 Financial Picture

For 2019, OCHC total budgeted expenditures are estimated at \$189.7 million and total budgeted revenues are estimated at \$144 million across all funds. The 2019 balance for all funds is forecasted at \$48.2 million versus the 2018 year-end projection of \$69.4 million, as previously indicated in the 2018 3<sup>rd</sup> quarter update to both the Finance and Audit Committee and the Board of Directors. The decrease in overall fund balance is mostly attributed to greater investments for capital repairs and redevelopment efforts, including the completion of SHAIIP and other capital projects.

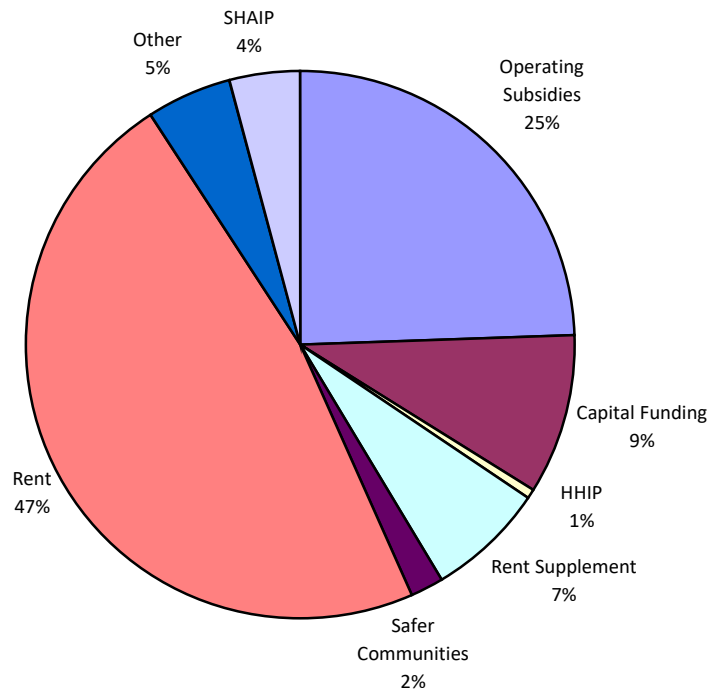
	2018 Projections All Funds	2018 Budget All Funds	2019 Preliminary All Funds	Budget 2019 vs 2018	
				\$	%
<b>Expenses</b>					
Debt Servicing	29,311	29,311	28,155	(1,156)	-3.95%
Staffing Costs	39,918	41,274	42,347	1,072	2.60%
Utilities	24,745	22,619	24,069	1,450	6.41%
Building Operations	65,672	69,057	79,935	10,878	15.75%
Administration & Other	12,428	14,758	15,201	443	3.00%
<b>Total Expenses</b>	<b>172,074</b>	<b>177,019</b>	<b>189,706</b>	<b>12,687</b>	<b>7.17%</b>
<b>Revenues</b>					
Service Manager	79,087	69,712	68,127	(1,585)	-2.27%
Tenant Rent	68,780	67,385	68,684	1,300	1.93%
Other revenue	6,657	6,592	7,149	557	8.45%
<b>Total Revenues</b>	<b>154,524</b>	<b>143,689</b>	<b>143,960</b>	<b>272</b>	<b>0.19%</b>
<b>Opening Fund Balance</b>	<b>72,373</b>	<b>72,373</b>	<b>69,441</b>	<b>(2,932)</b>	<b>-4.05%</b>
Net Use & Source of Funds (+/-)	(17,551)	(33,330)	(45,745)	(12,415)	37.25%
Reserve Contributions	-	-	-	-	-
Proceeds from Property Sales	8,193	8,400	9,303	903	10.75%
Loan Proceeds & Non-Cash Transf	7,091	7,100	15,200	8,100	114.09%
Interfund Transfer	(665)	-	665	665	-
<b>Fund Net Change</b>	<b>(2,932)</b>	<b>(17,830)</b>	<b>(20,577)</b>	<b>(2,747)</b>	<b>15.41%</b>
<b>Closing Fund Balance</b>	<b>69,441</b>	<b>54,543</b>	<b>48,199</b>	<b>(5,679)</b>	<b>-10.41%</b>

**Chart 1 and 2, on the following page, provide an overview of the distribution of the major categories of expenses and revenues across OCHC funds; identifying materials and services (e.g. pest management, snow removal, landscaping, and tenant unit repairs) and capital project spending as the largest use of funds, and rents as the largest source of funds.**

**Chart 1 - 2019 Expenses**



**Chart 2 - 2019 Revenues**



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## OVERVIEW OF REVENUE AND EXPENSE CATEGORIES

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### REVENUE

*OCHC has the following main sources of revenue: Subsidies, tenant rents and other revenue sources.*

#### Service Manager - City of Ottawa

Subsidies represent 49% of total revenue. The different types of subsidies are:

- Operating Subsidies and Grants
- Capital Reserve Subsidies and Grants
- SHAIP Grants
- Rent Supplements
- Safer Communities Subsidy

In 2008, an **Operating Agreement** was signed between OCHC and the City of Ottawa that moved to streamline and stabilize the funding arrangement for OCHC and the City. One of the main outcomes of the Operating Agreement was that OCHC is better able to manage its operations on a portfolio basis, which will have more predictable and stable funding.

The Operating Agreement determines the operating subsidy for 80% of the portfolio. The funding formula is based on benchmarks that were established through a rigorous process across the province. The benchmarks are adjusted annually based on various indices as set out by the province.

The indices for 2019 are detailed in the following table:

<b>2019 Indices for indexed benchmark operating costs for Ottawa</b>		
<b>Item</b>	<b>Index</b>	<b>Index for 2019</b>
Admin and Maintenance	Ontario CPI All Items	2.27%
Insurance	Ontario CPI - Homeowners home & mortgage insurance sub index	3.30%
Bad Debt	Ontario CPI All Items	2.27%
Electricity	Ontario CPI - Electricity sub index	-10.91%
Water	Ontario CPI - Water sub index	5.10%
Natural Gas	Ontario CPI - Natural gas sub index	-2.75%
Oil & Other Fuel	Ontario CPI - Fuel oil & other fuel sub index	21.22%
Capital Reserves	Ontario CPI All Items	2.27%

**Source: City of Ottawa Housing Branch - August, 2018**



The Operating Agreement stipulates the number of subsidized units OCHC is required to provide and maintain on an annual basis. Operating reserves assist OCHC in addressing year-over-year expense fluctuations.

The City of Ottawa continues to fund a substantial portion of the Safer Communities program. The grant for Safer Communities is at \$2.6 million after being increased by 2.27% in 2019.

### Annual Capital Funding Contributions

In 2019, capital reserve contributions are estimated at \$18.5 million. The City of Ottawa will provide \$13.4 million, which represents the mandatory annual contribution for those programs under the Operating Agreement. OCHC will also receive a further \$0.7 million grant under the HHIP program, which will be contributed to Capital Reserves. OCHC funds the remaining balance of \$4.4 million relating to programs outside of the Operating Agreement. The Board of Directors approves the annual funding for the capital reserve accounts for all other programs outside the Operating Agreement.

In 2018, the City of Ottawa approved grant funding of \$19.6 million for OCHC under the Social Housing Apartment Improvement Program (SHAIP). Announced in 2017, this program supported the Province's intention to fund retrofit projects for the buildings of 150 units or more to reduce Greenhouse Gases (GHG). On April 2018, OCHC received a SHAIP Confirmation of Funding letter to cover 16 eligible buildings' retrofits to be completed by March 31, 2020. In 2018, OCHC received \$9.8 million. It is estimated to receive \$5.9 million in 2019 with the balance of \$4.8 million been carried forward to 2020. Year 2 and 3 of SHAIP was cancelled by the Provincial Government in August 2018 as a result of the elimination of the cap-and-trade program.

### *Tenant Rent*

Rental income represents 47% of total revenue. The different types of rent are as follows:

- Rents Geared to Income (RGI)
- Affordable Market Rents
- Basic Rents
- Below Market Rents

### Rent-Geared-to-income (RGI)

RGI rent is calculated based on guidelines from the Province of Ontario. Rent scales are set for tenants receiving assistance from the Ontario Disability Support Program or Ontario Works. Other tenants pay 30% of their gross income, with a minimum rent of \$85.

## Affordable Market Rents

In 2019, OCHC market rents are set at the affordable end of the range of private sector rents. This does not suggest that they will be affordable to all households – RGI subsidies are needed to achieve that objective.

The current market rents were calculated applying a process that included:

- Assessing rental market conditions in Ottawa and comparing housing communities on the basis of location, unit type and size, amenities, size of the community, utilities being included with the rent or not, and historical experience;
- Comparing OCHC rents to the city-wide Canada Mortgage and Housing Corporation (CMHC) average market rents;
- Consulting with staff responsible for rental activity to evaluate the proposed rents based on the reaction of prospective tenants;
- Comparing rent ranges by housing type and unit size to ensure that consistency is reflected across the housing stock; and,
- Ensuring that the established 2019 market rents meet the definition for affordable market rent to maintain property tax exemption.

OCHC market rents will increase by 1.8% in 2019. It should be noted that subsidies are available for most market tenants across the OCHC portfolio, and the operating agreement with the City of Ottawa allows for greater flexibility to apply these subsidies across programs.

The 2019 market rent revenue estimate is based on the 2018 distribution of market tenants and adjusted by the approved rent increase of 1.8%.

## Basic Rents

Basic Rent is a minimum rent made possible by rent subsidies provided internally by OCHC. Basic Rents apply mainly in the Limited Dividends Townhomes program. Rents vary with income (using provincially determined calculation of Ontario Works Shelter component for consistency) up to market level.

OCHC has been working with the City of Ottawa to replace Basic Rent with RGI rent for 161 homes from Limited Dividend portfolio. The reassigned subsidies will provide RGI to large families on the Registry waiting list who do not have RGI subsidies but who are current tenants in these communities.

## Below Market Rents

Below Market Rent is the amount that does not exceed 80% of the average market rent as reported by CMHC in their Annual Rental Market Survey for the Ottawa for same type and size by bedroom count.

## *Other Revenue*

Other revenues include parking charges, laundry concessions, rental of commercial space, and rooftop antenna rentals. For 2019, these revenues are distributed across funds and include increases of \$181,000 in parking, or 8% from the 2018 budget while rooftop rentals are expected to generate \$469,000 in revenue for 2019, which is based on 2018 actual activity.

## ***EXPENSES***

The major expense categories include:

### **Debt Servicing**

For most OCHC housing (80% of the housing portfolio), debt servicing costs are fully funded under the Operating Agreement with the City of Ottawa. Debt payments related to mortgages and long-term debenture debt represent \$28.2 million (15% of budget), a decrease of \$1.2 million, or 3.95% from 2018 due to reduction in debentures offset by adding additional loans for Arlington, Uplands and CCHH properties in 2019.

### **Utilities**

Utility costs are estimated at \$24.1 million (13% of budget), an increase of \$1.4 million, or 6.41%, from 2018. The estimate includes a decrease of 3% in natural gas costs, which is a combination of expected decrease in gas prices and increase in transportation costs while electricity expenses will be held at current levels based on the 2018 data. Water rate increase has been budgeted at 6%, in line with the forecast from the City of Ottawa. It is estimated, however, that water consumption will decrease in 2019 compared to 2018 as a result of retrofit maintenance adjustments which were performed in the last quarter of 2018.

### **Staffing Costs**

For 2019, staffing costs are estimated at \$42.3 million, an increase of \$1.1 million (2.6%) from 2018; this budget includes benefits, COLA adjustments, mandatory contributions, incremental movement on the salary scales, and costs associated with training; it also reflects additional investments in priority projects including legal risk mitigation, new developments, as well as delivery of capital asset improvements related to SHAIIP funding.

Staffing levels have been held flat versus 2018; the staff complement is budgeted at 414 positions in 2019. The mandate and staff responsibilities encompass the following areas:

- Tenant Experience
- Maintenance, Project and Asset Management
- Corporate and Tenant Communications
- Community Development
- Community Safety
- Human Resources and Payroll Services
- Financial Management and Information Technology
- Policy, Privacy and Performance Management
- Administration and Board Governance

### **Building Operations**

The budget for building operations is developed as a global budget across all funds. Actual activity captures type of expenditure across all funds. For 2019, costs for building operations have increased by \$10.9 million against the 2018 budget, or 15.75% to \$80 million. The growth is largely due to an increase in the approved capital projects; in particular, \$14.9 million of the 2019 budget will be spent on SHAIIP projects.

### Administration and Other

This expense category includes vehicle fleet expenses, bad debt, municipal taxes and overhead expenditures such as the cost of office supplies and materials. It also includes costs related to legal, engineering, and audit services. The cost category continues to include a contribution to the OCHC Foundation for Healthy Communities Programming. Overall Administration and Other costs across all funds has increased by \$443,000, or 3% due to increase in professional fees for Capital projects while the Operating portion has decreased by \$860,000, or 10.53%, as result of reduction of discretionary expenses and the deferral of a number of operating projects.

### Capital Funded Expenditures

OCHC is taking a longer-range view of capital planning that anticipates multi-year projects and recognizes the need to balance capital spending in an affordable and sustainable manner.

The 2019 total budget for capital projects is estimated at \$60.7 million, an increase of \$12.5 million or 26% as per the following table.

	<b>Planned Capital Works</b>	<b>Other</b>	<b>Total Capital Budget</b>
Roofing Program	2,000	-	2,000
Site Renewal Program (includes fencing, regrading, paving, trees)	800	-	800
Mechanical and Electrical Systems Renewal Program (includes backflow preventer program, plumbing, mechanical and electrical components)	1,500	-	1,500
Fire Safety System Renewal Program (includes generators, alarm systems, suppression systems)	3,670	4,900	8,570
Cladding Renewal Program (includes windows and doors, exterior walls)	3,980	-	3,980
Structural Repair Program	1,350	-	1,350
Elevator Modernization Program	1,400	-	1,400
2019 District Based Priorities	1,300	-	1,300
<b>Sub Total</b>	<b>*16,000</b>	<b>4,900</b>	<b>20,900</b>
Non-Project & Unforeseen Projects (e.g. turnover capital expenditures)	-	11,460	11,460
Richelieu Court Revitalization	-	2,000	2,000
Restoration	-	1,300	1,300
SHAIP	-	14,900	14,900
Total 2014-2017 Capital Work roll forward	7,000	-	7,000
Capital Overhead (excluding salaries)	-	950	950
Other Capital	-	2,190	2,190
<b>Total</b>	<b>23,000</b>	<b>37,700</b>	<b>60,700</b>

\* The \$16 million in capital projects was identified in an earlier report and presented to the Board of Directors in September 2018.

## **Community Reinvestment Fund (CRF)**

The 2019 estimate for the fund assumes that 6 properties (representing 42 homes) will be sold, for a net contribution of \$9.3 million to the CRF, as well as \$3 million of costs related to these divestitures and consulting costs related to business cases for property development.

The 2019 estimate also includes:

- \$9 million of Investment in Affordable Housing (IAH) funding for Rochester Heights redevelopment.
- \$5.8 million mortgage financing received from IO for new build of CCHH (\$2 million) and Uplands (\$3.8 million).
- \$2.6 million mortgage received from Bank of Montreal (BMO) for Arlington property.
- \$700,000 contribution of the remaining forgivable loans from the Service Manager for the Carlington Community Health Hub and Uplands Drive.

For 2019, the CRF will fund \$13.9 million for new development, including Rochester Heights (140 homes). Costs also include \$2.2 million for the completion of the construction of the Carlington Community Health Hub (CCHH, 42 homes) and Uplands-Ashgrove development (16 homes) and initiation of development of Gladstone (approximately 222 homes) and provided OCHC the successful proponent, Carling (approximately 55 homes).

The development costs associated with these projects will be capitalized to recognize the value of added capital assets and not impact the CRF fund balance.

## **Green Fund**

Current estimates for 2019 include \$648,000 for PEER<sup>1</sup> project, and \$395,000 for other Green fund initiatives and studies.

Green Fund sources of revenue are estimated at \$1.6 million and are derived primarily from electricity generation revenue and program rebates and incentives.

## **Vehicle Fleet**

About \$345,000 will be required for vehicle acquisitions as OCHC continues to acquire more fuel-efficient vehicles to support the maintenance service delivery model. A transfer of \$553,000 will be made from the Capital Reserves Fund to support funding for future acquisitions under this program.

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<sup>1</sup> Prefabricated Exterior Energy Retrofit

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## **FINANCIAL MANAGEMENT AND OVERSIGHT**

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OCHC budget development starts from the bottom and consists of divisional, departmental and corporate levels. Each responsibility center manager is accountable to plan and budget activities at the most appropriate level of expenditure. For example, a budget for site service expenses is estimated for all activities related to the property management by common expense categories. Actual expenditure is tracked at a detail level; therefore, reporting on expenditures can be done at a building, community and/or by program level. Budget to actual expenditure reporting can be consolidated at a higher level to provide a summary of revenues and expenses for the entire Corporation in a format or formats that meet reporting requirements for the Shareholder, the Board of Directors, or others. With this flexibility, managers are able to generate live reports using various queries.

### ***Role of the Board of Directors and the Finance and Audit Committee***

The Board of Directors is made up of the Mayor as ex-officio, four City Councillors, five members of the community and one tenant member. The Board of Directors is responsible for setting policy direction and is legally accountable for the business of OCHC. The Finance and Audit Committee has responsibility for providing advice to the Board on financial issues and for providing a focus for Board oversight of financial management for OCHC.

Key assumptions, cost drivers and funding constraints considered in the development of the 2019 budget were reviewed with the Finance and Audit Committee on September 11, 2018, with a final review conducted on December 20, 2018 prior to approval of the budget by the OCHC Board of Directors on January 17, 2019.

### ***Organizational Structure and Responsibility Centres***

Specific responsibility centres capture spending activity within functional areas. Some senior managers are responsible for more than one responsibility centre.

### **Chief Executive Officer**

The Chief Executive Officer is the senior staff person and serves as the principal liaison between the Shareholder, the OCHC Board of Directors and staff. It is the responsibility of the Chief Executive Officer to keep the Board advised of OCHC activities and to ensure that policies and directions approved by the Board and Shareholder are implemented.

### **Organizational Effectiveness**

The focus of Organizational Effectiveness is on internal and external communications, media relations, information systems and technology, policy, privacy, performance management, Board governance, capacity development, continuous improvement and strategic and business planning.

## **Tenant Experience**

Tenant Experience is primarily responsible for services to tenants. Key responsibilities include:

- tenancy administration and planned maintenance
- resolution of tenant complaints/conflicts
- delivery of Integrated Pest Management services
- after-hours maintenance services
- contracted services including landscaping and snow removal
- tenant-related legal action
- OCHC call centre
- oversight of the People and Culture function identified below

## **People and Culture**

Corporate culture is an ongoing journey that OCHC embarked on a few years ago to define who we are, and what we want to be, as an organization. To ensure OCHC's commitment to excellence and to our values of C.A.R.E., the People and Culture function has primary responsibility for leadership in steering the organization. Primary responsibilities include the following:

- demand maintenance
- turnover of vacant units
- Human Resources function

## **Community Development**

Community Development has a primary focus on community and partnership development. This team has the lead responsibility for tenant engagement strategies including the Healthy Communities Initiative and the support and development of tenant associations. It is also responsible for volunteer management and Community Safety Services. This team includes mobile Community Safety Workers patrolling OCHC communities and contributing to creating safe communities.

## **Asset Management**

Asset Management has a critical role in the maintenance, renewal and redevelopment of the housing stock through the development of building standards and strategic planning related to long-term asset management. Specific responsibilities include:

- capital planning and project management
- functional direction for demand and preventative maintenance services
- specialized technical expertise related to engineering and consulting
- technical support for the ongoing maintenance of OCHC housing
- development and renewal of OCHC communities
- asset database management

## **Finance**

The focus of the Finance organization is on the delivery of services that enable the work of OCHC: the development and implementation of financial policies, reporting, audit and compliance requirements; payroll and benefit administration; and purchasing and vendor management.

**Appendix 1 –PRELIMINARY ESTIMATE BY FUND**

	2019 Preliminary All Funds	2019 Preliminary Estimate by Fund						Budget 2019 vs 2018	
		OP	CAP	GF	CRF	VEH	ICA	\$	%
<b>Expenses</b>									
Debt Servicing	28,155	28,155	-	-	-	-	-	(1,156)	-3.95%
Staffing Costs	42,347	34,653	7,059	341	293	-	-	1,072	2.60%
Utilities	24,069	24,069	-	-	-	-	-	1,450	6.41%
Building Operations	79,935	22,756	56,799	140	240	-	-	10,878	15.75%
Administration & Other	15,201	7,302	3,910	903	2,741	345	-	443	3.00%
<b>Total Expenses</b>	<b>189,706</b>	<b>116,935</b>	<b>67,768</b>	<b>1,384</b>	<b>3,274</b>	<b>345</b>	<b>-</b>	<b>12,687</b>	<b>7.17%</b>
<b>Revenues</b>									
Service Manager	68,127	62,227	5,900	-	-	-	-	(1,585)	-2.27%
Tenant Rent	68,684	68,684	-	-	-	-	-	1,300	1.93%
Other revenue	7,149	4,591	814	1,634	110	-	-	557	8.45%
<b>Total Revenues</b>	<b>143,960</b>	<b>135,502</b>	<b>6,714</b>	<b>1,634</b>	<b>110</b>	<b>-</b>	<b>-</b>	<b>272</b>	<b>0.19%</b>
<b>Opening Fund Balance</b>	<b>69,441</b>	<b>3,236</b>	<b>36,483</b>	<b>5,023</b>	<b>7,039</b>	<b>118</b>	<b>17,543</b>	<b>(2,932)</b>	<b>-4.05%</b>
Net Use & Source of Funds (+/-)	(45,745)	18,567	(61,054)	250	(3,164)	(345)	-	(12,415)	37.25%
Reserve Contributions	-	(18,530)	18,530	-	-	-	-	-	-
Proceeds from Property Sales	9,303	-	-	-	9,303	-	-	903	10.75%
Loan Proceeds & Non-Cash Transf	15,200	-	15,200	-	18,067	-	(18,067)	8,100	114.09%
Interfund Transfer	665	-	159	-	(13,685)	553	13,638	665	-
<b>Fund Net Change</b>	<b>(20,577)</b>	<b>37</b>	<b>(27,165)</b>	<b>250</b>	<b>10,521</b>	<b>208</b>	<b>(4,429)</b>	<b>(2,747)</b>	<b>15.41%</b>
<b>Closing Fund Balance</b>	<b>48,199</b>	<b>3,273</b>	<b>9,318</b>	<b>5,273</b>	<b>17,560</b>	<b>326</b>	<b>13,114</b>	<b>(5,679)</b>	<b>-10.41%</b>